



**MICHAEL J. MURPHY**  
State Treasurer

State of Washington  
Office of the Treasurer

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### **Narrows Bridge bond rates once again beat projections**

OLYMPIA, Wash. — Washington state attracted bids today for the seventh tranche of Tacoma Narrows Bridge bonds that are again much better than interest-rate projections at the start of the bridge project in 2002.

Seven bidders took part in the early-morning sale in the Office of the State Treasurer. The State Finance Committee, chaired by State Treasurer Michael J. Murphy, met later in the morning to award the sale to low bidder Citigroup Global Markets.

Citigroup offered a true interest cost (TIC) bid of 4.4430417 percent on \$55 million in motor vehicle fuel tax general obligation bonds (Series 2006C).

Murphy said the state had originally projected an average interest rate of 5.85 percent for the long-range financing of the bridge. The bonds issued Wednesday were serial coupon bonds, which tend to be lower in interest cost than zero coupon bonds, which were sold in the previous six tranches. Winning bids for the previous six bridge sales averaged 5.064 percent.

Murphy said a conservative estimate of the savings over the originally projected financing cost of the project is more than \$400 million. Washington's Legislature approved a public financing plan for the bridge project after originally considering a public-private financing plan.

"This just confirms that public financing is the way to go when you build something for the public benefit," Murphy said. "The Tacoma Narrows Bridge is a great project, and we're delighted to be a positive part of it."

Also bidding Wednesday were Prager, Sealy and Co. (TIC bid of 4.4452237 percent), Banc of America Securities (4.4500414), First Albany Capital Inc. (4.4581710), Merrill Lynch and Co. (4.4587156), UBS Financial Services (4.4635564) and RBC Dain Rauscher Inc. (4.5029979).

Chairman Murphy is joined on the State Finance Committee by Gov. Christine Gregoire and Lt. Governor Brad Owen.

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